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Occupational differentiation and exclusion in early Canadian accountancy

John Richard Edwards and Stephen P. Walker

Abstract – Canada’s 1881 census enumerators posed a range of questions that provide scope for an in-depth investigation of the identity of its accounting functionaries in that year. The significance of our findings is explained by applying the concept of closure through exclusion and occupational differentiation. We discover that Canada’s accounting community, at the dawn of professional organisation, was dominated by people originating from Great Britain and Ireland. The rural/urban divide for Canada’s accountants is the inverse of that for the population as a whole and, as in Britain, congregation occurs around the major commercial ports. Significant differentiation exists between the demographic profile of Canada’s accounting functionaries compared with its entire population and between that of accountants compared with bookkeepers. Strong evidence of exclusionary closure is revealed through an analysis of the demographic characteristics of the initial leaderships of Canada’s early accounting associations. The paper concludes by identifying opportunities for further research.

Key words: Accountants; bookkeepers; closure; census; Canada.

1. Introduction

A recent review of accountancy’s professionalisation literature has drawn attention to plenteous studies of the formation, operation and geographical spread of professional bodies in the late-nineteenth and early twentieth centuries (Poullaos, 2008). Leading figures within the accountancy profession have also proved a natural subject for study either as individuals (Lee, 1996) or groups (Carnegie et al., 2003). However, a proper understanding of the accountancy profession post-organisational formation, and the difficulties it has faced such as boundary definition and ‘problematical institutional configurations’, requires a ‘holistic frame of reference’ which extends ‘the scope of historical studies to the occupational populace as a

whole, beyond the memberships of the elite professional bodies' (Edwards and Walker, 2007a: 64, 65; see also Cooper and Taylor, 2000).

A start has been made towards studying entire accounting communities both pre- and post-organisational formation. Lee (2007: 333), for example, has drawn attention to the fact that 'little is known about the community of American accountants that existed prior to the main foundational events of the 1880s and 1890s', and his paper is intended to help fill that space. Britain is another country where the emergent accounting occupational group has been the subject of attention: Walker (2002) investigates the social standing of accountants in certain parts of England in the early-Victorian period; Edwards et al. (2007) examine the creation of a jurisdiction for the public accountant in England during the nineteenth century; Edwards and Walker (2007a) supply a spatial, demographic and occupational profile of professional and non-professional accountants in Britain in 1881.

The present investigation, located in time just two years after the formation of professional bodies in Montreal and Toronto, has similarities with Edwards and Walker (2007a), given that most accountants in each location then remained free from institutional affiliation.¹ The Association of Accountants of Montreal, formed on 11 June 1879, secured the CA credential for its members through a charter granted by the Quebec legislature on 24 July 1880 (Collard, 1980: 18), while The Institute of Accountants and Adjusters of Canada, based in Toronto, came into being in December 1879 (Creighton, 1984: 6).² Numbers for the initial membership of these bodies appear not to be available (Collard, 1980; Creighton, 1984), but they certainly accounted for a relatively small proportion of known accountants and a minute fraction of the nation's accounting functionaries in 1881.

¹ Qualified accountants comprised just 7.3% (1,189 out of 16,180) of the British accounting community in 1881 (Edwards and Walker, 2007a: 83).

² It was reconstituted as a specialist organisation for accountants called the Institute of Accountants, Province of Ontario, in May 1882 (Institute of Accountants, Province of Ontario, 1882), receiving royal assent for its act of incorporation on 1 February 1883.

Central to this paper is an examination of the spatial and demographic (nativity, ethnicity, religion and gender) characteristics of those included and, by comparison with the profile of the population from which they were drawn, those excluded from the accounting occupational group. Given the difference in economic and social status typically enjoyed by accountants and bookkeepers, the data will also be interrogated for evidence of variations in the common characteristics of these two components of the accounting occupational group. The broader significance of our findings is explained by applying the concept of closure through exclusion and occupational differentiation.

The remainder of the paper is organised as follows. First, we consider how the concept of closure can aid our understanding of the shifting occupational landscape inhabited by accounting functionaries in the late-nineteenth century. To contextualise our study, we next examine the economic and social environment within which Canada's accounting community became visible. Then we consider the background to the 1881 census, how it was conducted, and the way in which census data has been exploited for the purpose of the present study. Subsequent sections contain an in-depth, empirical analysis of the profile of accounting functionaries in Canada, in 1881, so far as these can be discovered from the available census records. In doing so, we identify the characteristics of those who gained admission to the accounting occupational group and, by comparison with the profile of the community as a whole, those destined to remain outside. Concluding remarks summarise our findings and identify opportunities for further research.

2. Closure in a shifting occupational landscape

The history and transformation of occupational and professional groups has been the subject of significant study within the sociology literature (Abbott, 1988, ch. 1; Macdonald, 1995, ch. 1). Writers have adopted a range of different and competing interpretive lenses (such as critical, ecological, functionalist, interactionist and positivist) to better understand the history

and state of the occupational landscape. Their rival explanations, in the market for academic hegemony, intersect in key areas such as occupational trajectory, closure and conflict, though the protagonists sometimes appear unwilling to recognise this to be the case (Macdonald, 1995, pp. 14-17).

Larson (1977: 66) believes that ‘the structure of professions results from two processes: the process of organisation for a market of services, and a process of collective mobility by which the early modern professions attached status and social standing to their transformed occupational roles’. Randall Collins, who cautions against classifying writers on the basis of theoretical standpoints (Maclean and Yocom 2000), makes similar points: ‘Instead of seeing occupations as having fixed positions on a market, we see that occupations themselves can become status groups in the realm of work’ (Collins, 1990: 25). The upward trajectory of certain occupational groups produces a history of work marked by a continuously changing landscape and a ‘graveyard’ of failed ‘occupational and professional groups’ due to changes in technology and in the ‘broader organization of society’ (Krause, 1971: 1-2). Abbott’s (1988: xiii) distinctive paradigmatic framework similarly ‘aims to show [and understand] professions growing, splitting, joining and dying’.

To help underpin a strategy of upward trajectory, occupational and professional groups attempt to exploit opportunities for exclusionary closure; see, for example, Richardson (1997) for a closure based study of the Canadian public accounting profession from the early nineteenth century through to recent times. A strong and explicit form of closure occurs when the practice of a discipline, e.g. medicine, is restricted by law to a group of ‘eligibles’. It might also be the case that performance of a specific task (e.g. company audit) is confined to identified practitioners. Among accountancy’s critical literature has been a Weberian-inspired focus on social closure that has highlighted the role of organisations (Willmott, 1986) in progressing professional projects through the exclusion of undesirable ‘others’, often on the

basis of perceived status within an occupational group (Walker, 2004). Such bodies have also used credentials such as CA and CPA to signal fitness to practice to the general public and business community. Often, however, exclusionary closure operates in a more subtle manner and not only through the agency of professional organisations.

Macdonald (1995: 28, emphasis added) reports that ‘Weber’s analysis [of occupational trajectory] draws attention to the way in which groups with interests in common, or even people *who share a religious belief, or have racial or other characteristics in common*, can act in such a way as to circumscribe their membership’ in order to ‘pursue their collective interest’. Whereas early commentators such as Previts and Merino (1979: 332) wrote that ‘opportunities for individuals, regardless of sex, race, religion, or creed, to advance in the ranks of professional accounting and to gain significant status has been characteristic of the [United States accountancy] profession from the earliest years’, subsequent ‘students of the accounting profession have connected with, and drawn inspiration from, theoretical advances in the historiography and sociology of professions’ (Walker, 1999: 1) to problematise the notion of an absence of barriers to entry.

Accounting’s professionalisation literature has successfully employed the concept of social closure³ to demonstrate inter-occupational differentiation between respectable and skilled accountants on the one hand and ‘counterfeit accountants’ on the other (Walker, 2004: 153). Within the same branch of the professionalisation literature, Kirkham and Loft (1993) reveal that demographic characteristics have been formally applied to achieve exclusionary closure on the basis of gender, and this has since become an important area of study (e.g. McKeen and Richardson, 1998; Walker, 2003; Khalifa and Kirkham, 2008). However, Davie (2005: 553) has expressed concern that, ‘[w]hilst racial and ethnic differentiation and discrimination

³ Occupation-based cases are of course micro-illustrations of much broader societal developments where, historically, ‘exclusionary forms typically arose as a result of the conquest of one collectivity by another’ (Murphy, 1988: 219).

themes have traversed social science analysis of everyday life, accounting researchers have been mostly remarkably silent on such issues'. But some work has been done. Hammond and Streeter (1994) use theories of racism to challenge the idea that public accountancy firms in the United States have provided equality of opportunity, while Sian (2006) has shown how, following independence, Kenya's government enabled inclusionary usurpation through structural changes in professional organisation designed to transfer leadership from expatriate accountants to African Kenyans. Sian (2006: 297) also points out that 'more informal sanctioning at various points in a [professional] project (by powerful constituent groups) can also result in exclusion on the basis of race, gender, social class and wealth'. In the current paper we seek to demonstrate the operation of informal social closure to achieve exclusion through differentiation both within and between the occupational groups of accountants and bookkeepers.

Before we embark upon a study of the spatial and demographic characteristics of the accounting community in Canada in 1881, we review the economic and business environment within which Canada's accounting functionaries worked in the period up to 1881, explain how the census was conducted and outline the research approach that we employ.

3. Economic and business environment

The early development of Canada's economy is predominantly associated with the fur trade and, in particular, the activities of the Hudson's Bay Company incorporated in 1670. It is certainly the case that fur was the single most important factor in the initial population of Canada's interior, but the earliest European settlements arose from fishing off the coast of Newfoundland and Nova Scotia. In the early nineteenth century, lumber became the dominant staple export to meet the requirements of a Britain that had exhausted local supplies. The timber ships fulfilled a further key role in Canada's history through the carriage of immigrants on their return voyage from the British Isles. The timber industry was in turn an important

factor in the development of agriculture because, in contrast to the fur trade, the exploitation of woodlands entailed large numbers of people based in a single location for a substantial time-period. These lumber camps and towns needed to be supplied with food and other provisions. As the loggers pushed westwards, farmers followed to form the basis of new communities that often became permanent settlements.

In 1881, almost three-quarters of Canada's population was located in rural areas (Urquhart and Buckley, 1965: 14), and most of the work-force remained engaged in farming and other primary industries (Urquhart and Buckley, 1965: 59). Part of the reason for this orientation was because, historically, British mercantilist policies had discouraged Canada from developing its processing and manufacturing sectors:

‘Under the French and for long under the British regime, it remained the kind of colony that had been envisaged by seventeenth century mercantilist philosophers, acting as both a source of raw materials for the Old Country and a market for its manufactures.’

(Woodcock, 1989: 315)

The repeal of the Corn Laws (1846) gave rise to ‘a cumulative series of political and economic changes in Britain [which] precipitated the abandonment of the system of colonial preferences’ (Easterbrook and Aitken, 1956: 377). This compelled Canadian industry to become more efficient and to try to cultivate new markets, necessitating the development of innovative strategies fundamental among which ‘was the manipulation of the tariff and the construction of railways’ (Easterbrook and Aitken, 1956: 377). What was later captioned ‘old industrialism’ (Easterbrook, 1959: 77) first appeared in Canada in the form of improvements to the transportation network through canal and railway construction capable of lowering transportation costs and converting the maritime provinces’ seaports into outlets for western trade.

Despite the continued, overwhelming focus on primary industries through to 1881, the economic activities of Canada's provinces showed significant variation. Staple extraction dominated in the three Maritime provinces – New Brunswick, Nova Scotia, and Prince Edward Island. There, the 'export of fish, wood, and coal provided the region with exchange to purchase food and manufactured imports from abroad' (Taylor and Baskerville, 1994: 109). Woodcock (1989: 300) explains the fragmented nature of Canada's colony until Confederation (1867):

'disparate colonies ... did not have the social and commercial infrastructures that could produce large cities. On the Atlantic seaboard the Maritime colonies carried on their commercial activities more or less independently of the more inland provinces, to which they had no year-round transportation links until the Intercontinental Railway was completed in 1876. They traded with the United States, Britain and the West Indies rather than with the two Canadian provinces, and acted largely as entrepôts for trades that were dominated by merchants in London.'

The continued focus on trade among the Maritime Provinces was not only a consequence of British trading priorities. As noted above, the British mercantilist philosophy had, by 1881, been long replaced by one of free trade. However, a sustained mercantilist orientation was favoured by the indigenous merchant class in leading commercial centres such as Halifax, Nova Scotia and St John, New Brunswick. Initiatives to encourage industrialisation were resisted by merchants as likely to create unwelcome 'potential competition in the sense that local production would diminish the flow of imported manufactured goods and thus cut into their profits' (Taylor and Baskerville, 1994: 112). The industries that were allowed to develop – shipbuilding, lumber, coal and fisheries – did so under the aegis of merchant capital.

The overall level of industrialisation was greater in Ontario and Quebec, but the rural/farming community remained dominant even there. In 1870, two-thirds of all workers in

Ontario remained in farming, but ‘old industrialism’ was underway through continued railway building and ongoing improvements to the waterway network linking major urban sites adjacent to the St Lawrence seaway through to Lake Erie. In 1870, Ontario was home to 51.8% of Canada’s industrial production, much of which was located in Toronto and Hamilton. Businesses were normally small scale; 18,600 of Ontario’s 21,730 industrial establishments employed five or fewer workers (Taylor and Baskerville, 1994: 177). There were exceptions, however, with the Grand Trunk and Great Western railways’ repair and locomotive-building plants ‘the first large integrated – manufacturing, transportation, communication – industrial corporations to operate in Canada’ (Taylor and Baskerville, 1994: 180).

Manufacturing activity was also beginning to surface in Quebec by 1870, and it occurred on a more centralised basis than at its western neighbour. Thirty-nine of Canada’s top 150 industrial firms were located in Montreal compared with 14 in Toronto. Indeed, Montreal was responsible for 43%, in value, of the province’s industrial output, Quebec City for 9% and all other urban centres just 12%. Some of its businessmen were highly ambitious. By using the latest American steam-powered technology, for example, the Montreal Rolling Mills’ directors hoped to ‘bid defiance to all foreign competition’ (quoted in Taylor and Baskerville, 1994: 223). Such instances remained important exceptions to the continued agrarian focus until the implementation of the National Policy that Sir John A. Macdonald trumpeted during the federal election of 1878. This was ‘directed towards bringing the Industrial Revolution into Canada and making it something more than a nation devoted to the primary industries of farming, fishing, mining and logging’ (Woodcock, 1989: 302; see also McDougall, 1971). To help this process, the government quickly put in place ‘a more complex tariff structure in which particular attention was given to protection of goods which were manufactured or which could be manufactured in Canada’ (Easterbrook and Aitken, 1956: 393).

Canada's two remaining provinces in 1881 – Manitoba and British Columbia – remained remote from the Maritime Provinces and the more urbanised areas of the two Canadas. Indeed, they were not part of the initial Confederation; Manitoba being ceded to Canada by the Hudson's Bay Company in 1870 and British Columbia joining in 1871. Both of these areas were for many years controlled by the North West Company or the Hudson's Bay Company, with their economies dominated by the fur trade until the Fraser Canyon Gold Rush of 1858 began to change the character of British Columbia.

From this review, we might conclude that accountants and bookkeepers in Canada, in 1881, were unlikely to have been heavily involved in servicing the accounting needs of manufacturing industry either directly, as employees, or indirectly as public practitioners.⁴ Canada was still predominantly a rural-based, agrarian economy, under the control of its wealthy merchants, with its primary industries providing the source of external trade. As the social historian George Woodcock (1989: 305) put it, even 'Canada's largest cities have really been mercantile ones characterised by the concentration of economic power and social function'. The merchants' wealth and power was expressed in conspicuous consumption. In Montreal for example, from 1850 onwards, builders began constructing large mansions at the foot of Mount Royal in an area known as the Golden Square Mile as merchant families began to migrate out of Montreal to settle in the suburbs (Rémillard and Merrett, 1987).⁵

It was within this economic and social context that Canada's census takers undertook their work in the second half of the nineteenth century.

4. 1881 Canadian census

⁴ Even in 1891, 46% of the work-force was engaged in agriculture with just 14% classified as manufacturing and mechanical workers (Urquhart and Buckley, 1965: 59).

⁵ A similar pattern of relocation occurred in Britain (Thompson, 1988: 165).

The first population census for New France was conducted in 1666 and revealed 3,215 inhabitants of European descent.⁶ An act of 1851 provided for a census of Canada in 1852, another in 1861 and decennially thereafter (Urquhart and Buckley, 1965: 1). When the British colonies in North America were united under the British North America Act to become the Dominion of Canada in 1867, census taking became a constitutional requirement. Also in that year, the Province of Canada was divided into Ontario and Quebec so that each linguistic group (English and French) could have its own geographical identity. As further provinces joined the Confederation – Manitoba (1870), British Columbia (1871) and Prince Edward Island (1881) – they were included in federal census returns.

When planning the 1881 British census, its administrators commented as follows: ‘The success of the coming Census of the Motherland will be hailed with interest not only by her own people, but by the growing millions in her Colonies across the Atlantic, or in the Southern hemisphere where a like Census is taken to fill up the roll of the English race’ (RG27/5, fol. 43; see also, Goldscheider, 2002: 79-83). Canada’s ‘like Census’ was held on the same date as its British counterpart – 4 April 1881. Care was taken in the *Instructions to Enumerators* to try to ensure their accuracy and to combat possible bias, with the enumerator ‘going personally from house to house, and writing in the schedules, in the most scrupulous manner, the answers given to the questions arising out of the headings, in order of their numbering’ (<http://www.prdh.umontreal.ca/1881/en/enum.html>). Schedule 1, entitled ‘Nominal return of the living’, contained 20 questions, with answers to questions 11-14 central to this study because of their potential for identifying possible bases for occupational differentiation and exclusion. These questions dealt with: country or province of birth; religion; ethnic origin; profession, occupation or trade.⁷

⁶ Statistics Canada, <http://www.statcan.ca/english/about/jt.htm>.

⁷ It is recognised that census data does not provide an unproblematic representation of the population (Edwards and Walker, 2007b; Inwood and Reid, 2001; Mills and Schürer, 1996).

5. Sources and method

According to Lisa Dillon (2000: 185) of the Institute of Canadian Studies: ‘At the beginning of the twenty-first century, the field of historical demography has acquired new energy through the proliferation of historical census micro data projects’. A key first step in improving accessibility to information about Canada’s population occurred when approximately 1,500 volunteers, most of whom were members of The Church of Jesus Christ of Latter-day Saints, extracted Canadian census information from microfilm and photocopies of the original census forms. A team of genealogists from the Church and the Institute of Canadian Studies ‘cleaned’ the data – a process of standardizing names and localities, and organising the material for easy retrieval. The Church released the database as a set of five CD-ROMs (Family History Resource File, FHRF Canada 1881⁸) in March 2002 and, later that year, the online version was made available on the FamilySearch Internet Genealogy Service Web site. The transcribed database contains 4.3 million individuals.

For the purposes of this study, FHRF Canada 1881 was interrogated using the search words ‘accountant’ and ‘comptable’ together with possible variations in spelling. This identified 876 individuals. Comparable data for the 3,698 bookkeepers (occupation code 33210) were extracted from the database constructed as part of the North Atlantic Population Project (NAPP). The stated purpose of this project is ‘to develop a web-based collaboration that will maximize the usefulness of these data for understanding the North Atlantic world as it entered [sic] the industrial age’.⁹

The remainder of this paper presents an in-depth, empirical analysis of the characteristics of accounting functionaries in Canada in 1881. Therein, it reveals the potential provided by

⁸ Edwards and Walker (2007b) study the scope and limitations of information about accountants contained in the transcribed version of the British census enumeration books for 1881. Many of their findings apply equally to the content of FHRF Canada 1881.

⁹ http://www.nappdata.org/napp/proposal_p2.shtml

Canada's census records for uncovering socio-demographic characteristics that formed the basis for informal closure practices. We start by examining the presence, and relative incidence, of accountants and bookkeepers in Canada's provinces and cities, and then proceed to consider their distribution between the Dominion's urban and rural areas. Next, we explore the birthplace and ethnic origin of accounting functionaries. To further enhance our profile of Canadian accountants and bookkeepers, in 1881, we examine their religious denomination and relate spiritual affiliations to ethnic origin. The position of women accounting functionaries is then reported. Before presenting our concluding remarks, we offer a case study that reveals evidence of both formal and informal exclusionary closure implicit within the demographic profile of the founders of Canada's early professional associations.

6. Spatial landscape of the accounting community in 1881

Table 1 gives numbers for accountants and bookkeepers living and working in Canada in 1881 analysed by province,¹⁰ and relates those figures to population size.¹¹ Table 1 shows that accountants were most populous in the Provinces of initial organisational formation in 1879 (Ontario and Quebec), with 441 (50% of all accountants) in the former and 214 (24%) in the latter. When the distribution of accountants is related to population, the pattern changes markedly. The highest densities are found in British Columbia, Manitoba and Prince Edward Island, all with 50 or more accountants per 100,000 population. Ontario has just 23 accountants per 100,000 population and Quebec 16. Ontario (2,051, 55% of all bookkeepers) and Quebec (1,008, 27%) were also the Provinces with the highest numbers of bookkeepers and, together, they were the location of 82% of all bookkeepers compared with 74% of all accountants. Ontario was also home to the highest density of bookkeepers – 107 per 100,000

¹⁰ The 1881 census revealed a population of 4,324,810 (Urquhart and Buckley, 1965: 14) compared with the 4,278,174 entries in the NAPP database. The main cause of the discrepancy is that The Church of Jesus Christ of Latter-day Saints failed to enter the Northwest Territories in full.

¹¹ Northwest Territories are included in the tables, for completeness, but ignored for analytical purposes given that only four accounting functionaries were located there.

population, but both British Columbia and Manitoba exhibited higher levels of concentration than did Quebec.

Table 1. Numbers and densities of accountants and bookkeepers in Canada's provinces in 1881

	<i>British Columbia</i>	<i>Manitoba</i>	<i>New Brunswick</i>	<i>Northwest Territories</i>	<i>Nova Scotia</i>	<i>Ontario</i>	<i>Prince Edward Is.</i>	<i>Quebec</i>	<i>Total</i>
<i>Population</i>	49,459	62,260	321,233	56,446	440,572	1,926,922	108,891	1,359,027	4,324,810
Accountants	33	36	53	0	45	441	54	214	876
ranking	7	6	4	8	5	1	3	2	
Per 100,000	68	56	16	0	10	23	50	16	20
ranking	1	2	5=	8	7	5	3	5=	
Bookkeepers	43	56	193	4	289	2,051	54	1,008	3,698
ranking	7	5	4	8	3	1	6	2	
Per 100,000	88	86	60	36	66	107	50	74	86
ranking	2	3	6	8	5	1	7	4	
Ratio: Bookkeepers/ Accountants	1.3	1.6	3.6		6.4	4.7	1.0	4.7	4.2

Sources: FHRF Canada 1881; NAPP; <http://www.prdh.umontreal.ca/1881/en/1881freqs.html>

Variations in the density of accountants in different locations¹² is likely to be attributable to a range of variables that include relative levels of commercial and industrial maturity and the social composition of particular neighbourhoods, with the middle class more likely to require the services of accountants than the working class. Other local-specific factors no doubt explain the relatively high density in certain places. For example, 27 of British Columbia's 33 accountants lived in towns (Vancouver, Victoria and Yale) to which tens of thousands of people flocked during the 1858 and 1861-62 gold rushes. The 29 (out of 36) Manitoban-based accountants resident in Winnipeg (FHRF Canada 1881) probably included many working for the province's still thriving Hudson's Bay Company.¹³ Between 1871 and 1885, the company's administration had moved from its historic York Factory site on Hudson Bay to Winnipeg as steamboats, then a railway (1878), linked it with the United States. The company also opened its first departmental store in Winnipeg in 1881.

¹² The null hypotheses that accountants and bookkeepers were distributed, by province, in the same proportions as the general population were overwhelmingly rejected in a chi-squared test ($P < 0.0001$).

¹³ Forty of Manitoba's 56 bookkeepers were also resident in Winnipeg.

Table 1 also reveals considerable geographic variation in the numbers of bookkeepers compared with accountants, ranging from unity (54 of each) on Prince Edward Island to 6.4 in Nova Scotia. Such differences may well reflect variation between provinces in the nature of the work performed by bookkeepers and accountants. Alternatively, they might be attributable, at least partly, to etymological variation in the application of those descriptions to accounting functionaries' calculative tasks.¹⁴

Table 2. Population, accountants and bookkeepers in urban and rural areas in 1881

	<i>Urban</i>		<i>Rural</i>		<i>Total</i>	
	<i>No</i>	<i>%</i>	<i>No</i>	<i>%</i>	<i>No</i>	<i>%</i>
Population	1,109,507	26%	3,215,303	74%	4,324,810	100%
Accountants	659	75%	216	25%	875	100%
Bookkeepers	2,738	74%	960	26%	3,698	100%
Total functionaries	3,397		1,176		4,573	

Sources: NAPP; Statistics Canada,
<http://www40.statcan.ca/101/cst01/demo62a.htm>

Table 2 adds a further dimension to this analysis by focusing on the urban/rural divide. Whereas 74% of Canada's population lived in rural areas in 1881, each category of accounting functionary reveals a converse distribution – 75% of its 875¹⁵ accountants and 74% of its 3,698 bookkeepers lived in urban areas. Ontario and Quebec were the most urbanised provinces (30% and 28% of their populations respectively) and it is where we also find, Manitoba accountants apart, the largest proportions of urban-located accountants and bookkeepers (NAPP). Moreover, within these two provinces, the vast majority of accounting functionaries were located on the St Lawrence Seaway through to Lake Ontario.¹⁶ Quebec

¹⁴ There is evidence to suggest that, by 1881, less progress had been made in Canada, and the United States, than in Britain in developing an effective linguistic distinction between the terms bookkeeper and accountant ('American book-keepers', 1880: 11; *The Book-keeper*, 1882 quoted in Webster, 1944: 369; 'Canadian accountants', 1881b: 4)

¹⁵ Differs from 876 used elsewhere in this paper due to a small number of cases where NAPP and ourselves reached different conclusions about whether particular individuals should be classified as accountants.

¹⁶ For Britain, Edwards and Walker (2007a: 69) also found that centres of high density were usually sea or inland ports.

City, Montreal, Toronto and Hamilton, for example, being the home of 250 (29% of total) accountants and 1,444 (39%) bookkeepers (NAPP). It is likely, of course, that in rural areas accounting and bookkeeping functions were often not undertaken by specialists.

The figures for accountants reported in Tables 1 and 2 included an unknown number who were members of the professional associations formed in Montreal and Toronto by 1881. We might imagine that these bodies were initially dominated by local recruits. This was certainly the case in Ontario at the time of the Institute of Accountants' inaugural meeting held thirteen months after census day. Its membership list on 18 May 1882 included 69 accountants based in Toronto and, of the remaining 52, 47 worked elsewhere in Ontario. No early membership list has yet been uncovered for the Montreal Association but, given Collard's (1980: 22) description of it as 'more like a club than a corporate body with complete professional powers', we might imagine its constituency to have been even more parochial than that of the Ontario Institute. The petitioners who successfully sought statutory recognition for the Montreal Association and the Ontario Institute,¹⁷ so far as they can be identified (FRFH Canada 1881; Little, 1989),¹⁸ are listed in Table 3 together with the following demographic characteristics: census place, birthplace; ethnic origin; and religion. Collard's conception of the clubbish character of the Montreal Association is certainly supported by evidence concerning the known residence of its initial leadership, with seven living in the central Ste-Antoine Ward and the remaining three not far afield.

¹⁷ Thirteen petitioners appeared in An Act to incorporate the Association of Accountants in Montreal, 1880, 43-44 Vict., Cap. 88 and eighteen in An Act to incorporate the Institute of Accountants of Ontario, 1883, 46 Vict., Cap. 64.

¹⁸ For the Montreal Association, we failed to trace with a sufficient degree of confidence among the census records: Edward Evans, Louis J Lajoie and Arthur H. Plimsoll. Similarly, for the Ontario Institute: Samuel Bickerton, G. W. Banks, William H. Cross, W. A. Douglas, R. H. Gray, Francis C. Ireland, John T. Moore and Charles Robertson.

Table 3. Founders

<i>Montreal Association</i>		<i>Census place</i>	<i>Birthplace</i>	<i>Origin</i>	<i>Religion</i>
Beausoleil	Cleophas	Ste-James Ward, Montreal	Quebec	French	Catholic
Court	James	Ste-Antoine Ward, Montreal	Scotland	Scottish	Presbyterian
Craig	David J.	Outremont, Hochelaga, Quebec	Scotland	Scottish	Presbyterian
Darling	Thomas	Ste-Antoine Ward, Montreal	Scotland	Scottish	Presbyterian
Fair	John	Ste-Lawrence Ward, Montreal	Scotland	Scottish	Presbyterian
McDonald	John	Ste-Antoine Ward, Montreal	Scotland	Scottish	Presbyterian
Moffat	Alexander	Ste-Antoine Ward, Montreal	England	Scottish	Presbyterian
Perkins	Arthur M.	Ste-Antoine Ward, Montreal	Quebec	English	Presbyterian
Riddell	Alexander F.	Ste-Antoine Ward, Montreal	Scotland	Scottish	Presbyterian
Ross	Philip Simpson	Ste-Antoine Ward, Montreal	Scotland	Scottish	Presbyterian
<i>Ontario Institute</i>					
Clarkson	Edward R. C.		Toronto	English	
Coady	Richard T.	St George Ward, Toronto, York, Ontario	Ontario	Irish	Anglican
Eddis	Henry Wm.	York East, York East, Ontario	England	English	Anglican
Findlay	William F.	Pilkington, Wellington Centre, Ontario	Scotland	Scottish	Presbyterian
Harman	Samuel B.	St George Ward, Toronto, York, Ontario	England	English	Anglican
Johnson	J. W.	Belleville, Hastings West, Ontario	Ireland	Irish	Methodist
Mason	Jno. J.	Barrie, Simcoe North, Ontario	England	English	Anglican
Massey*	John	St Thomas Ward, Toronto, York, Ontario	England	English	Anglican
Millar	R. D.	Ward 5, London, Middlesex, Ontario	England	Scottish	Methodist
Ramsay	A. G.	Ward 2, Hamilton, Wentworth, Ontario	Scotland	Scottish	Anglican
Whitt	S.	St James Ward, Toronto, York, Ontario	England	English	Anglican

* Spelled Massay in census records

Source: FHRF Canada 1881; Little, 1981.

We can therefore conclude that initial professionalisation of the accounting occupation in Canada was effectively closed, on the basis of geography, to those working in Ontario and Quebec, and in the latter case possibly with a membership not extending far beyond the boundaries of Montreal.

7. Nativity and geographic location

Table 4 gives the birthplace of Canada's population and accounting functionaries. It reveals that immigrants were over-represented; the 14% reported by the enumerators as born overseas included 45% of Canada's accountants and 36% of its bookkeepers. The vast majority of accountants born overseas (350 out of 391) came from Great Britain & Ireland (GB&I), with

the United States supplying most (29) of the remainder. Though less marked, a similar pattern existed in the case of bookkeepers. Between the two categories of accounting functionary, there is little variation in the proportions born in the constituent countries of GB&I. For example, 55% and 52% of accountants and bookkeepers, respectively, were born in England.

Table 4. Birthplace in 1881

	<i>Population</i>		<i>Accountants</i>		<i>Bookkeepers</i>	
		<i>%</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>
England	173,184	4%	192	22%	575	16%
Ireland	190,152	4%	62	7%	201	5%
Scotland	117,645	3%	93	11%	331	9%
Wales	1,384	0%	3	0%	1	0%
Total GB&I	482,365	11%	350	40%	1,108	30%
United States	78,264	2%	29	3%	148	4%
Other non-Canada	50,838	1%	12	1%	65	2%
Total non-Canada	611,467	14%	391	45%	1,321	36%
Canada	3,658,123	86%	483	55%	2,376	64%
Total known	4,269,590	100%	874	100%	3,697	100%
Unknown	8,584		2		1	
Total	4,278,174		876		3,698	

Sources: FHRF Canada 1881; <http://www.nappdata.org/napp-action/codes.do?mnemonic=BPLCA>

There are some interesting similarities and differences between our findings and those of Richardson (1989) for ‘Canada’s accounting elite’¹⁹ during the early part of the twentieth century. Richardson finds similar proportions of accountants as ourselves born in both GB&I (41% compared with 40%) and Quebec (19% vs. 17%).²⁰ However, whereas 36% of ‘elite’ accountants were born in Ontario, the 1881 census revealed just 23% of accountants in Canada native to that province. Most of the difference is due to the fact that only 2.5% of elite accountants were born in the maritime provinces compared with 14% from our own study. This suggests that it proved more difficult for accountants born in the maritime provinces to gain access to recognition at national level, and this might be partly attributable to later organisational representation in those parts of Canada.

¹⁹ Richardson’s 79 elite accountants are drawn from *Canadian Who’s Who*, 1910 and 1936 editions, and *Who’s Who in Canada*, 1910-30 editions (Richardson, 1989: 5 and 21).

²⁰ Provincial figures taken from NAPP database.

Analysis of the accounting community by birthplace, when compared with the profile of Canada's entire population, suggests informal closure in favour of immigrants from Britain and Ireland. It is possible to examine this possibility in greater depth due to the requirement for the census enumerators to elicit the perceived ethnic origin of the populace.

8. Ethnic origin and geographic location

'Canadians tend to identify themselves according to their ethnic origin, and it is not uncommon to hear Canadians who have never set foot in the British Isles describe themselves as "Scottish".' (Messamore, 2004: 1)

The exodus from Europe to Canada began in the second half of the seventeenth century when six thousand or so French immigrants formed the nucleus of New France. The situation began to change in the second half of the eighteenth century following the conquest of New France by the British and as the result of thousands of Loyalists emigrating north following the American Revolution in 1783. In addition to the loss of the American colonies, other dramatic episodes which encouraged migration to Canada include the Highland clearances in Scotland dating from the 1760s and the Irish potato famine of the 1840s. Migration from Britain to Canada, which saw the relatively affluent as well as the impoverished attracted by better prospects overseas (Harper, 2004: 16-18), was a pervasive feature of Western demographic patterns throughout the nineteenth century.

Reliable figures for migration from the British Isles to north America date only from 1815 when 680 are believed to have sailed for Canada and 1,209 to the United States. The rate of exodus then spiralled, with numbers destined for the British dominion usually the larger until the mid-1830s when migration to the United States escalated. 23,534 emigrated from GB&I to Canada in 1819, 66,339 in 1832 and 109,680 in 1847. By the 1870s, the average rate of annual out-migration to Canada had fallen to 23,817 compared with 147,065 to the United States (Johnson, 1913: 344-345). The available records reveal that, of the 431,718 emigrants

to Canada between 1853 and 1880, 222,598 were English, 130,570 were Irish and 78,550 Scottish (Johnson, 1913: 347).

The 1881 Canadian census required those supplying information to the enumerators to give the country of origin of each person resident in the household. The country of origin for accountants and bookkeepers and for the entire population is set out in Table 5.²¹ Eighty-nine per cent of all accountants originated from GB&I compared with 60% of the entire population. A similar situation is revealed in the case of bookkeepers, 84% of whom considered their ethnic origin to be GB&I. Within this geographical category, we find higher proportions of accountants, compared with bookkeepers hailing from England (seven points up) and Scotland (three points up), and a lower proportion from Ireland (four points down). Bookkeepers originating elsewhere were mainly from France (90% of whom were resident in Quebec) and Germany (NAPP).

Table 5. Ethnic origin in 1881

	<i>Population</i>		<i>Accountants</i>		<i>Bookkeepers*</i>	
		%	Number	%	Number	%
<i>GB&I</i>						
English	878,073	21%	364	42%	1300	35%
Irish	953,272	22%	161	18%	793	22%
Scottish	697,536	16%	250	29%	970	26%
Welsh	9,635	0%	5	1%	12	0%
Total GB&I	2,538,516	60%	780	89%	3075	84%
French	1,288,705	31%	63	7%	402	11%
German	248,956	6%	15	2%	128	3%
Other non-Canadian	100,738	2%	16	2%	60	2%
Native Indian, Inuit and Negro	60,674	1%	0	0%	2	0%
<i>Total known</i>	4,237,589	100%	874	100%	3667	100%
<i>Unknown</i>	40,585		2		31	
<i>Total</i>	4,278,174		876		3,698	

* English includes 7 British; French includes 12 French Canadians

Sources: FHRF Canada 1881; <http://www.nappdata.org/napp-action/codes.do?mnemonic=ORIGIN>

The null hypothesis that, in terms of ethnicity, accountants and bookkeepers are distributed in the same proportions as the general population can be conclusively rejected based on the

²¹ The indigenous population is understated for the reason given above, with the best estimate showing them to account for 3% of the population.

results of the chi squared test ($P < 0.0001$). This finding is highly significant, revealing that the distribution of accountants and bookkeepers was profoundly affected by ethnic origin.²² For example, compared with the ethnic distribution of the population, there were, respectively, 183 (101%) more English accountants and 540 (63%) more English bookkeepers than would be expected in Canada in 1881. In contrast, for the ethnic French, there are 203 (76%) fewer accountants and 713 (64%) fewer bookkeepers than would have been observed if their numbers had been proportionate to population. Returning to Table 5, and focusing on the larger numbers, we can conclude that financial functionaries from England and Scotland were more likely to be accountants and those from Ireland and France more likely to be bookkeepers.

This section reveals disproportionate domination of the accounting community, both nationally and provincially, by accounting functionaries emanating from GB&I. Britain was the first country to industrialise and the first to professionalise the accounting craft. One might therefore see such domination as a consequence of the skills that immigrants brought with them. But by far the majority of the ethnic-GB&I accounting functionaries were born in Canada (Tables 4 and 5), and an unknown proportion of those born in the British Isles would have been below working age when arriving at their new home.

Overall, one can conclude that the composition of the nascent accounting community was beginning to reflect a degree of informal exclusionary closure based on ethnicity. Those most likely to penetrate the occupational boundary saw themselves as hailing from GB&I; those tending to be excluded were of French and German origin, with access to the accounting domain almost completely denied to the Native Indian, Inuit and Negro.

²² The same outcome occurs when the distribution of bookkeepers and accountants is examined on the basis of religious affiliation (Table 6).

9. Religion

‘Among the institutions which migrants transplanted or sought to re-establish, the most prominent were usually the church, the school, and the ethnic association.’ (Harper, 2004: 26)

This section examines the religious affiliation of accounting functionaries and the relationship between religion and ethnic origin. The 1881 Canadian census revealed that 42% of the population were Roman Catholics, 40% were Non-conformists²³ and 13% were Anglicans (Table 6). The religious profile of Canadian accountants represents the inverse of that distribution. The dominant religious affiliation of accountants was Anglican (42%), with the Non-conformist groups together comprising 40% of the total. Just 15% of Canada’s accountants described themselves as Roman Catholic.²⁴

Table 6. Religious denomination in 1881

	<i>Population</i>		<i>Accountants</i>		<i>Bookkeepers</i>	
Anglican	575,157	13%	366	42%	1,043	28%
Baptist	291,832	7%	32	4%	196	5%
Methodist*	712,294	17%	115	13%	662	18%
Presbyterian	695,849	16%	201	23%	893	24%
Non-conformist	1,699,975	40%	348	40%	1,751	47%
Roman Catholic	1,790,773	42%	128	15%	743	20%
Lutheran	45,432	1%	2	0%	21	1%
Other	106,730	2%	25	3%	113	3%
Unknown	60,107	1%	7	1%	27	1%
	4,278,174	100%	876	100%	3,698	100%

* Includes 18 accountants and 73 bookkeepers who were Congregationalists.

Sources: FHRF Canada 1881; NAPP; <http://www.prdh.umontreal.ca/1881/en/1881freqs.html>

We have seen (Table 5) that the dominant accountant-ethnic group was English, and Table 7 reveals that most of them (66%) were Anglican. Other prominent ethnic/religious combinations show the Scots to be principally Presbyterian (60%) and the French to be almost

²³ A non-conformist is any member of a Protestant congregation not affiliated with the Church of England.

²⁴ Richardson (1989: 10) reveals similar patterns for his cohort of elite accountants compared with the findings of the 1931 census. For example, 42% of both elite accountants and accountants uncovered by the 1881 census were Anglicans whereas only 13% of the population in 1881 and 16% in 1931 reported a commitment to that church.

exclusively (94%) Roman Catholic. These profiles are not unexpected. More surprising is the fact that more Irishmen (and Germans, of whom there were few) attached themselves to the Anglican church than to any other denomination. In a study of the impact of demographic characteristics on the profile of the accounting occupational group, it is relevant to note that the Protestant domination of Canada's ethnic-Irish accounting cohort is consistent with Annisette and O'Regan's (2007) finding that, in the predominantly catholic home country, 27 of the 31 founder members of the Institute of Chartered Accountants in Ireland (1886) were Protestant.

Table 7. Accountants' religious denomination and ethnic origin

Religion	Ethnic origin				French	German	Other/ Unknown	Total
	GB&I							
	English	Irish	Scottish	Welsh				
Anglican								
Number	239	60	45	3	4	7	8	366
%	66%	37%	18%	60%	6%	47%	44%	42%
Baptist								
Number	17	5	8			1	1	32
%	5%	3%	3%			7%	6%	4%
Methodist								
Number	62	23	22	1		3	4	115
%	17%	14%	9%	20%		20%	22%	13%
Presbyterian								
Number	19	28	149	1		2	2	201
%	5%	17%	60%	20%		13%	11%	23%
Non-conformist								
Number	98	56	179	2		6	7	348
%	27%	35%	72%	40%		40%	39%	40%
Roman Catholic								
Number	7	42	17		59	2	1	128
%	2%	26%	7%		94%	13%	6%	15%
Lutherian								
Number	1						1	2
%	0%						6%	0%
Other/Unknown								
Number	19	3	9				1	32
%	5%	2%	4%				6%	4%
Total								
Number	364	161	250	5	63	15	18	876
%	100%	100%	100%	100%	100%	100%	100%	100%

Source: FHRF Canada 1881

The religious affiliations of bookkeepers also diverged from those of the population as a whole, but to a lesser degree (Table 6). The highest proportion was again Anglican, but it stands at 28% of the cohort compared with 42% in the case of accountants. Presbyterians (24%), Roman Catholics (20%) and Methodists (18%) are, again, the next most numerous denominations, but the gap between each of these and adherents to the Anglican church is far less than in the case of accountants.

Among bookkeepers originating from England (Table 8), a much lower proportion (52% compared with 66% accountants) was Anglican, and a much higher proportion (42% compared with 27% accountants) was Non-conformist. Scottish bookkeepers were even more likely to be Presbyterian compared to Anglican (68% vs. 10%) than in the case of accountants (60% vs. 18%), and French bookkeepers equally certain (95% vs. 94%) to be Roman Catholic. Amongst Irish bookkeepers, the Roman Catholic rather than Anglican church was the most common religious affiliation.

Table 8. Bookkeepers' religious denomination and ethnic origin

Religion	Ethnic origin							Total
	<i>GB&I</i>	<i>Irish</i>	<i>Scottish</i>	<i>Welsh</i>	<i>French</i>	<i>German</i>	<i>Other/ Unknown</i>	
	<i>English</i>							
Anglican								
Number	671	217	97	2	6	30	20	1043
%	52%	27%	10%	17%	1%	23%	22%	28%
Baptist								
Number	101	26	51	4	2	5	7	196
%	8%	3%	5%	33%	0%	4%	8%	5%
Methodist								
Number	338	138	105	6	6	42	27	662
%	26%	17%	11%	50%	1%	33%	29%	18%
Presbyterian								
Number	103	111	655		4	9	11	893
%	8%	14%	68%		1%	7%	12%	24%
Non-conformist								
Number	542	275	811	10	12	56	45	1,751
%	42%	35%	84%	83%	3%	44%	48%	47%
Roman Catholic								
Number	31	275	38		382	10	7	743
%	2%	35%	4%		95%	8%	8%	20%
Lutherian								
Number	1		1		1	18		21
%	0%		0%		0%	14%		1%
Other/Unknown								
Number	55	26	23		1	14	21	140
%	4%	3%	2%				23%	4%
Total								
Number	1,300	793	970	12	402	128	93	3,698
%	100%	100%	100%	100%	100%	89%	100%	100%

Source: NAPP

Evidence of informal exclusionary closure on the basis of religion is strong in the case of the accountant occupational group. There are more than three times (42% compared with 13%) as many Anglican accountants than would be the case if proportional to population, and 95% (347 out of 366, Table 7) of these were of GB&I ethnicity. Non-conformist representation corresponded to the profile of the population as a whole, but the accountant occupational barrier proved extremely difficult for Roman Catholics to penetrate. The pattern is not entirely dissimilar in the case of bookkeepers, but it is certainly less marked, signalling less evidence of closed access to this lower status activity based on religious affiliation.

Indeed, the distribution of bookkeepers by religious denomination compared with that of the entire population reveals a correlation coefficient of 0.65 compared with 0.41 in the case of accountants.

10. Women accountants and bookkeepers

FHRF Canada 1881 incorrectly reports seven accountants as female. It is almost certain that John Skaling and Hugh Bown Lewis were wrongly transcribed as female, while the sex of J. Bevan Giles cannot be inferred. It is difficult to establish the status of individuals in a Canadian household in 1881 given the absence of a census requirement to record their relationship to the head of household. Relying on names, ages, and information on marital status, it appears that Mary Lenmanth ‘accountant’ was living with her husband, four children and two other people. The fact that her husband’s occupation was also stated as ‘accountant’ raises the possibility that Mary was not an accountant but an accountant’s wife (Edwards and Walker, 2007b: 66). So far as can be judged from the information available, the remaining three women were *bona fide* accountants: Elizabeth Marling ‘accountant’ was 85 years of age, living with her school-master son and family in York East, Ontario; Julia Crompton ‘accountant’ lived with her clergyman father, mother and sister in Barrie, Ontario; Emma Campbell, who describes herself as ‘comptable’, origin ‘Francais’, was living with the Taylor family in Montreal.

Table 9. Age and marital status of women bookkeepers

<i>Age</i>	<i>Never Married</i>	<i>Married</i>	<i>Widowed</i>	<i>Total</i>
<20	22			22
20s	27	3	3	33
30s	4	6	3	13
40s	2	1		3
50s	3	2	1	6
60s			1	1
	58	12	8	78

Source: NAPP

Of the 3,698 Canadian bookkeepers, 78 (2.1%) were women.²⁵ Table 9 reveals a youthful profile with 22 (28%) under twenty years of age and a further 33 (42%) in their twenties. As in the case of female accountants, most (74%) had never married. As with males (84%), the ethnic origin of the vast majority of female bookkeepers (86%) was British or Irish, and they lived primarily in Ontario (53, 70%) or Quebec (13, 17%). Religious affiliation was also diverse, including 23 (29%) Methodists, 20 (25%) Presbyterians, 15 (19%) Roman Catholics and 13 (17%) Anglicans. However, women bookkeepers were more likely than men to be Methodist and less likely to be Anglican. The typical female bookkeeper in Canada in 1881 was therefore of British origin, under 30, non-conformist, unmarried and lived in Ontario or Quebec.²⁶

It is clear from the foregoing that women in Canada remained outside the community of accounting functionaries in 1881. This might be contrasted with the position in the ‘mother country’ where, although accountants remained predominantly male (Kirkham and Loft, 1993), the occupation of bookkeeping was becoming gender mixed. Compared with Canada, where the 78 female bookkeepers accounted for just 2.1% of the occupational group, 2,616 female bookkeepers in Britain comprised 18% of that cohort (Walker, 2003: 611-612), and in certain counties the ratio was well over 50% (Edwards and Walker, 2007a: 73). At the start of the next section we present evidence of formal exclusionary closure practiced against women accountants when professional bodies were created in Montreal and Toronto. We then move on to reveal evidence of informal exclusionary closure in the demographic profile of the founders of the Montreal Association and the Ontario Institute.

11. Founders of the Montreal Association and the Ontario Institute

²⁵ The 79 female bookkeepers listed in the NAPP database included Joseph Smith.

²⁶ The male bookkeeper was, similarly, often young and unmarried, but the likelihood was less in his case. Just under half (48.5%) had never married and the average age of the occupational group was 32.

The presumption that professional accountants would be male was made explicit in the acts of incorporation of both the Montreal Association and the Ontario Institute. Section 4 of the Montreal Association's enabling statute states that the 'amount to be paid by a member on *his* admission should not exceed twenty dollars', while section 10 of the Ontario Institute's charter clarified rights on cessation of membership in the following male-exclusive manner:

If any member during *his* lifetime ceases to be a member of the Institute, *he* shall not, nor shall *his* representatives, have any interest in or claim against, the funds or property of the Institute.

A study of the demographic composition of the leaderships of Canada's first two accounting bodies reveals informal as well as formal closure practices. A striking feature of the initial leadership of the Montreal Association (Table 3) is its dominance by Scottish-Presbyterians. The first President, James Court, emigrated from Scotland to Canada in his late teens to work for his merchant uncle, William Blackwood. In 1831, he set up as a sole practitioner, 'making use of the knowledge of bookkeeping he had picked up at Blackwood's' (Collard, 1980: 20). A joint-founder of the firm Court and MacIntosh, 'He was a man of probity, preoccupied with moral and ethical issues. He was a Presbyterian, joint founder of a Young Men's Christian Association and founder of the Montreal Temperance Society' (Collard, 1980: 20). The second President, Philip Simpson Ross, also Presbyterian, emigrated as a young man from Lanarkshire in the early 1850s, and '[i]n 1874 he withdrew entirely from his "mercantile career" to concentrate on accountancy alone' (Collard, 1980: 21). The demographic profile of the 'actual founder' (Creighton, 1984: 1) of the Ontario Institute was quite different. William Robins was born (1850) in Cornwall, England, and his religion is reported in the census records as Church of England (Ancestry.ca, 1901). But 'without political significance', the manoeuvring required to achieve chartered status saw Robins

absent from a Council ‘replete with municipal politicians, exalted leaders of the Masons and prominent Anglican laymen’ (Creighton, 1984: 12).

In common with that of their initial leaders, the ethnic/religious profiles of the petitioners for statutory recognition of the two professional accounting bodies also differed significantly (Table 3). In Ontario, the predominant profile was English/Anglican. The ethnic English focus is consistent with the fact that 46% (204 out of 441, FHRF Canada 1881) of all accountants in Ontario originated from that country. The founders’ religious affiliation, however, contrasts with that of the Province overall ‘where, by the late nineteenth century, Protestant pluralism had taken hold’. However, ‘much of the elite were still Anglican’,²⁷ and one would expect that an association of professional accountants aspired to such status. We surmise that the English/Anglican orientation explains why The Institute of Accountants and Adjusters of Canada based its initial constitution and bylaws on those of England’s elite Institute of Accounts, established in London in 1870 (Creighton, 1984: 2; see also ‘Canadian accountants’, 1881a: 3, 1881b: 4).

The Scottish/Presbyterian orientation of the founders of the Montreal Association mirrors neither the ethnic origin of accountants in Quebec nor the dominant religious affiliation of its people, which was Roman Catholic. The 60 ethnic-Scot accountants in Quebec in 1881 comprised just 28% of the 214 accountants in that province. There were more ethnic-English accountants (62) in Quebec, and it was the Province where 57 of the 63 ethnic-French accountants lived and probably worked. However, the position was different in Montreal where the 40 Scots, within an accountant community of 102 in that city, comfortably outnumbered those of any other ethnic group (FHRF Canada 1881).

Founders of the first two professional bodies established in Canada therefore exhibit distinctive socio-demographic profiles which were at variance with those of the provincial

²⁷ *Wikipedia*. http://en.wikipedia.org/wiki/Religion_in_Canada#History

populations. Moreover, the Montreal Association's founders failed even to reflect the profile of accountants in Quebec, though it was consistent with that of those resident in the province's capital city.

12. Concluding remarks

The history of occupations and professions is marked by groups with interests in common joining together to deny social and economic opportunities to others. The self-appointed elite will

embark on a process of social closure intended to both limit membership of the group itself and to appropriate the privileges of other competing groups. This will involve the adoption of various closure strategies intended to demarcate or reinforce boundaries, ensuring that membership is restricted and that certain 'ineligibles' or 'outsiders' are excluded. These strategies will include explicit and implicit criteria relating to, amongst others factors, race, class, gender, educational qualifications, credentials and the type of work performed (O'Regan, 2008: 37).

As guest editor of the 'International Accounting History Special Issue' of *Accounting and Business Research*, Richardson (2002: 65) argued that the historical perspective provides practitioners and academics with a sense of the constancy of change and the impact of broader social forces on their craft'. This paper is designed to contribute to the 'types of studies' that, in Richardson's judgement (2002: 65), 'are needed to support a new global perspective by accountants on their profession'. It has done so by examining the spatial and demographic profile of the early accounting community in Canada for evidence of exclusionary closure based on findings from a census that contained questions designed to uncover the following key 'markers of identity' (Kertzer and Arel, 2002: 35): residence, occupation, nativity, ethnicity, religion and gender.

The answers provided to census enumerators revealed that the vast majority of Canadians continued to live (74%, Table 2) and work in rural areas in 1881. In direct contrast, 75% of accounting functionaries lived, and probably worked, in urban areas. As in Britain (Edwards and Walker, 2007a: 69), many of them resided in leading commercial ports. As noted above, just four cities adjacent to the St Lawrence Seaway (Quebec City, Montreal, Toronto and Hamilton) were home to 250 (29% of total) accountants and 1,444 (39%) bookkeepers. The merchant classes supported the primary industries that generated the products welcomed in Canada's export markets, but more extensive industrialisation was resisted on the grounds that it would reduce the need for imported commodities. By 1881, nevertheless, manufacturing and engineering works had begun to appear in certain parts of Canada. One would expect these to require accounting functionaries, but so too would, for example: the merchant enterprises that remained dominant throughout the Maritime Provinces; the Hudson's Bay Company that ran Manitoba until 1870; and parts of British Columbia energised though left economically depressed following the unfulfilled expectations fuelled by the gold rushes. Although 75% of all accounting functionaries were located in either Ontario or Quebec (655 out of 876, Table 1), greater densities of accountants or bookkeepers are found in the less-populated provinces. These and other differences between observed and expected features of the profile of accounting functionaries compared with that of the entire population offer, as indicated below, opportunities for future meaningful research.

The demographic characteristics examined in this paper have been dictated by the questions posed by the census enumerators. The range of these enquiries, and the consequential richness of the resulting database, has enabled us to construct a multi-faceted demographic identity for the membership of Canada's early accounting community and the leadership of its initial accounting associations.

The Canadian census had included a question on ethnic origin, from 1871, so as to register the changing proportions of the ‘two founding peoples’ – the French and English settlers – ‘in relation to themselves and other groups’ (Kertzer and Arel, 2002: 15). We discover, at the dawn of professionalisation in Canada, a narrowing of the demographics of the accounting community which contrasts dramatically with the population’s overall profile. The French founding people, who comprised 31% of Canada’s population in 1881, featured far less prominently among accounting functionaries (Table 5). In contrast, men and women originating from GB&I comprise 60% of Canada’s population but 85% of its accounting functionaries. Ethnic-English are more prevalent within each occupational group, and dominate the accountants’ profile to an even greater extent than that of bookkeepers. The ethnic-Scots are the next most numerous accounting functionaries, contributing about two-thirds of the ethnic-English numbers in each case. In contrast, the Irish and overseas accounting functionaries feature relatively more strongly in the listing for bookkeepers. Consistent with Davie’s (2005: 556) study of a South Pacific State-owned enterprise, we find evidence of the accounting community in Canada, by 1881, applying ‘a relatively covert form of racial differentiation and discrimination’.

The religious profile of accounting functionaries also differs markedly from that of the population as a whole. Whereas 42% of Canada’s inhabitants, in 1881, were Roman Catholic, this was the spiritual affiliation of just 19% of all accounting functionaries (Table 6). In contrast, 31% of accounting functionaries were Anglican compared with 13% of the entire population. There are also clear signs that this further demographic variable had implications for the location of accounting functionaries within the accountant/bookkeeper divide. It is the Anglicans (normally English) and the Presbyterians (predominantly Scottish) that dominate the accounting cohort. The Presbyterians feature even more strongly amongst bookkeepers, as do the Roman Catholics, but Anglicans less so. The key feature shining through census data

relating to religious affiliation is that Anglican accounting functionaries were more likely to be working as accountants than as bookkeepers, whereas the opposite was the case for all other leading religious groups.

Drawing on Weberian closure theory, Murphy (1988: 8) asserts: 'Any convenient visible characteristic, such as race, language, social origin, religion, or lack of a particular school diploma, can be used to declare competitors to be outsiders.' In this paper we have shown that the profile of Canada's community of accounting functionaries does not conform to national or provincial norms concerning the following characteristics: residence, nativity, ethnicity, religion and gender. There are also clearly identifiable differences in the relative profiles of those who reported themselves as accountant to the census enumerators compared with those choosing the designation bookkeeper. These differences imply exclusionary closure being practiced informally by certain sub-groups within the community of accounting functionaries in Canada in 1881. Further, evidence of both implicit and explicit exclusionary closure appears strong from our study of the composition of the founders of the professional organisations established in Ontario and Quebec at around this time.

The introduction to this paper draws attention to the importance of understanding the composition of an accounting community in the formative years of the professional bodies that subsequently seek to organise and control the composition and activities of its membership. Such knowledge helps us to understand the diverse character of the occupational group from which emerged a profession subsequently rendered more homogeneous through the pursuit of a professional project. Potentially, it also enables a better understanding of the problems facing a profession post-organisational formation. For example, Edwards and Walker's (2007a) study of the early community of accountants in Britain helped to explain the genesis of the perennial problems subsequently faced by those attempting to define occupational and professional boundaries and achieve closure. The history of the Canada's

professional bodies has, so far, been little studied by accounting historians. The complex character of Canada's early accounting community in 1881, as revealed in this paper, might be expected to inform subsequent work in that area. We conclude by identifying opportunities for future research that are today facilitated by the availability of census records in digital and electronic format (Dillon, 2000).

It is known that British professional accountants were active in the United States in the last two decades of the nineteenth century, and influential in the development of that country's nascent accounting profession. Carey (1969: 27; see also, Lee 2002: 79) refers to 'The British Invasion' of accountants, and dates this assault as occurring in the late-1880s. Lee's (2007) paper shows that British accountants were active in the United States on a scale disproportionate to the general migration across the Atlantic at an earlier date, i.e. 1880. The present study has revealed a relatively much stronger presence of accounting functionaries born in GB&I in Canada compared with in the United States c.1880, comprising 40% (Table 4) vis-à-vis 12% (Lee, 2007: Table 9) of that occupational group. The role of British accountants, in general, in the development of the accounting profession in Canada is a subject worthy of attention from accounting historians. Within that arena, the current study signals the need to focus also on the demographic profile of the leaderships of Montreal Association and Ontario Institute. For example, an appropriate issue for further research is whether the 'homogeneity' of the ethnic-religious character of their leaderships served, as in Ireland (O'Regan, 2008: 40), 'to define and permeate the ethos and culture' of those professional associations.

A second major area for study would broaden research interest to the demographic composition of the entire communities of bookkeepers and accountants (both nationally and provincially) thereby augmenting McKeen and Richardson's (1998) investigation of gender as a criterion for exclusionary closure. One of a number of other fruitful areas for study would

be to investigate ties between religion and wealth-formation as revealed by the spiritual orientation of accountants.

There is also scope for potentially meaningful micro-studies based on, for example, the finding that 17 of the 78 female bookkeepers resided in North York, and that nearly 80% (112 out of 143, FHRF Canada 1881) of ethnic-Germans lived and probably worked in Ontario.

Finally, this paper has revealed that work is required to improve our understanding of differentiation between accountants and bookkeepers, and there are at least two dimensions to be explored here. First, as Bouchard (1998: 76) points out: ‘The occupational activity is often multidimensional and can lend itself to various titles, simultaneously or successively.’ In the Canadian context, and elsewhere, there is a need to better understand the meanings attached to the terms accountant and bookkeeper. For example, why was it the case, at this time, that ‘[i]n some communities, such as Paris, Ontario, the top accounting officer was called the “bookkeeper”’ whereas ‘[n]eighbouring London favoured the title “accountant”’? (Creighton, 1984: 18) The question of whether variations in job descriptions reflected differences in the rate of etymological transition or genuine changes in the nature of tasks undertaken needs to be addressed. What is certain, based on findings from this paper, is that there were marked differences in the respective demographic profiles of the two groups. Second, there is scope for exploring relationships in the workplace between these two categories of accounting functionary. Here, notions of closure and ‘conflicts of interest’ (Krause, 1971: 84) intersect, with Collins (1990: 24) stating:

‘There is a long-term dynamic consisting of endless conflict over market closure.

Occupational structures, like capitalism and markets in general, do not stay put; they are constantly changing, as some occupations gain new resources in the struggle to gain closure over their markets, and other occupations lose some of the privileges they have gained.’

In addressing potential conflict of interest between the overlapping occupations of accounting and bookkeeper, Abbott's (1988) ideas about settlement by subordination and intellectual jurisdiction might well prove a fruitful avenue for enquiry.

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